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Research Questionnaire
“RECRUITMENT AND RETENTION OF HUMAN RESOURCES”

(A Study on Recruitment and Retention activities of human resources with Reference to the IT/ITES–BPO industries in Tamilnadu state in India)

by


An Appeal

A) This is a Research Questionnaire and will be used for the research purpose only and I assure you that this data will be kept confidential.
B) I would be very much thankful if you could feel free and answer the questions honestly.

Research Questionnaire

1. Your Name Mr / Miss / Mrs ..........................................................................................................................

2. Name of your organization .........................................................................................................................

3. You are a
   a. Male              b. Female

4. Your title of the post or designation ........................................................................................................

5. Your educational qualification
   a. Plus 2          b. Under graduate   c. Post graduate   d. Professional   e. Others

6. Age
   a. below 20 years   b. Between 21-25  c. Between 26 – 30  d. 31 to 35  e. 36 and above

7. Your Salary Rs. (Per Month)
   a. 10,000 to 20,000   b. 20,001 to 30,000   c. 30,001 to 40,000   d. 40,001 to 50,000
   e. 50,001 and above

8. How did you find this job?

9. How were you selected?
   a. Only oral interview  b. Only Written test  c. Oral and Written
d. Others if any, please specify..............................................................................................................................................
............................................................................................................................................................................................
............................................................................................................................................................................................
............................................................................................................................................................................................

10. How many jobs have you held before this? (Kindly state that this is your job number)
   a. First   b. Second   c. Third   d. Fourth   e. Fifth and above

11. How long have you been working with this industry?
   a. Less than 1 year   b. Between 1 & 3 years   c. Between 3 & 5 years   d. More than 5 years

12. Did you sign any contract before joining this job?
   a. Yes   b. No

13. If yes, what is your contract period?
   a. One year   b. Two years   c. Three years   d. Four years   e. Five and above

14. Did the HR Manager explain the realistic job preview? (Quality and Quantity of work required in the particular job profile) during the time of recruitment?
   a. Yes   b. No

15. Is this your dream job?
   a. Yes   b. No

   If Yes, kindly state the reason..............................................................................................................................................
   ............................................................................................................................................................................................
   ............................................................................................................................................................................................
   ............................................................................................................................................................................................

   If No, kindly state where you aspire to work? ...................................................................................................................
   ............................................................................................................................................................................................
   ............................................................................................................................................................................................
16. Are you married?
   a. Yes    b. No

17. If No, will you continue to work here after marriage?
   a. Yes    b. No    c. depends upon situation

18. If yes, where is your spouse working?
   a. House wife/not working    b. In the same office    c. Other nearby industry/company
   d. Industry/company far away.

19. Are you interested in higher studies?
   a. Yes    b. No

20. If yes, what is your plan to pursue higher studies?
   a. Evening College    b. Part time study    c. Correspondence courses    d. Resign the job then regular studies

21. Do you have the desire for self employment?
   a. Yes    b. No
22. Rank the following variables that made you to choose this job?

a. Better opportunity  

b. Type of work  

c. Rate of pay  

d. Family circumstances  

e. My Dream job  

f. Good English communication Skill  

g. Attractive life style  

h. For time being  

i. Others if any, Please Specify  

23. Kindly state the level of importance given by the employer during recruitment on the following variables.
<table>
<thead>
<tr>
<th>S. no</th>
<th>Variables</th>
<th>Level of importance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Very Low</td>
</tr>
<tr>
<td>A</td>
<td>Aptitude Test</td>
<td></td>
</tr>
<tr>
<td>B</td>
<td>Technical Skills</td>
<td></td>
</tr>
<tr>
<td>C</td>
<td>Latest Recruitment Tools (MBTI, FIRO B etc.)</td>
<td></td>
</tr>
<tr>
<td>D</td>
<td>English Communication</td>
<td></td>
</tr>
<tr>
<td>E</td>
<td>Energy Level</td>
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</tr>
<tr>
<td>F</td>
<td>Assertiveness</td>
<td></td>
</tr>
<tr>
<td>G</td>
<td>Social Ability</td>
<td></td>
</tr>
<tr>
<td>H</td>
<td>Family Circumstances</td>
<td></td>
</tr>
<tr>
<td>I</td>
<td>Psychological Test</td>
<td></td>
</tr>
<tr>
<td>J</td>
<td>Your Career Ambitions</td>
<td></td>
</tr>
</tbody>
</table>
24. Kindly rate the welfare measures of your organization on the following variables?

<table>
<thead>
<tr>
<th>S. no</th>
<th>Variables</th>
<th>Level of Satisfaction</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td>Poor</td>
</tr>
<tr>
<td>A</td>
<td>Job Security</td>
<td></td>
</tr>
<tr>
<td>B</td>
<td>Resolving Complaints, Grievances &amp; Problems</td>
<td></td>
</tr>
<tr>
<td>C</td>
<td>Monetary Benefits</td>
<td></td>
</tr>
<tr>
<td>D</td>
<td>Flexibility of Working Time</td>
<td></td>
</tr>
<tr>
<td>E</td>
<td>Growth Opportunities/ Promotion</td>
<td></td>
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<tr>
<td>F</td>
<td>Transport Facilities</td>
<td></td>
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<tr>
<td>G</td>
<td>Medical Facilities</td>
<td></td>
</tr>
<tr>
<td>H</td>
<td>Canteen &amp; Rest Room Facilities</td>
<td></td>
</tr>
<tr>
<td>I</td>
<td>Present Salary Revision Period</td>
<td></td>
</tr>
<tr>
<td>J</td>
<td>Other Non Monetary Benefits</td>
<td></td>
</tr>
</tbody>
</table>

**Factor-1 Training and Motivation**

25. How would you rate the on the job trainings provided by your employer?
   a. Poor        b. Fair          c. Neither Fair not good   d. Good        e. Excellent

26. How would you rate the motivational programmes provided by your employer?
a. Poor  b. Fair  c. Neither Fair not good  d. Good  e. Excellent

27. To what extend were the on the job trainings provided by the employer were helpful for you to perform your work better?

   a. Poor  b. Fair  c. Neither Fair not good  d. Good  e. Excellent

28. To what extend were the motivational programmes provided by the employer were helpful for you to perform your work better?

   a. Poor  b. Fair  c. Neither Fair not good  d. Good  e. Excellent

**Factor-2 Leadership and Interpersonal relation**

29. How would you rate the supervising qualities in your company?

   a. Poor  b. Fair  c. Neither Fair not good  d. Good  e. Excellent

30. How is your relationship with your immediate supervisor/manager?

   a. Poor  b. Fair  c. Neither Fair nor good  d. Good  e. Excellent

31. How would you rate leadership style in your organization?

   a. Poor  b. Fair  c. Neither Fair nor good  d. Good  e. Excellent

32. How would you rate the Hierarchical structure (Upward Mobilization) in your organization?

   a. Poor  b. Fair  c. Neither Fair nor good  d. Good  e. Excellent

**Factor-3 Organaization Culture and Open system**

33. How would you rate the policies and procedures of the company?

   a. Poor  b. Fair  c. Neither Fair not good  d. Good  e. Excellent
34. How would you rate the recognition and praise aspects on individual employee in your organization?

   a. Poor       b. Fair       c. Neither Fair not good       d. Good       e. Excellent

35. How would you rate the communication system in your organization?

   a. Poor       b. Fair       c. Neither Fair not good       d. Good       e. Excellent

36. How would you rate the work culture in your organization?

   a. Poor       b. Fair       c. Neither Fair nor good       d. Good       e. Excellent

37. How would you rate the environment in your organization?

   a. Poor       b. Fair       c. Neither Fair nor good       d. Good       e. Excellent

38. How would you rate the adequacy of feedback about your performance?

   a. Poor       b. Fair       c. Neither Fair nor good       d. Good       e. Excellent

Factor-4 Hygiene factor – Personal care and Career growth

39. Kindly rate your chances for advancement with the current employer.

   a. Poor       b. Fair       c. Neither Fair not good       d. Good       e. Excellent

40. Kindly rate your company’s care about your professional development and career goals.

   a. Poor       b. Fair       c. Neither Fair not good       d. Good       e. Excellent
41. How would you rate the creativity aspects by individual employees in your organization?
   a. Poor   b. Fair   c. Neither Fair not good   d. Good   e. Excellent

42. How would you rate the fair and equal treatment in your organization?
   a. Poor   b. Fair   c. Neither Fair not good   d. Good   e. Excellent

**Other factors/Variables**

43. How would you rate the job responsibilities expressed during the interview process and orientation?
   a. Poor   b. Fair   c. Neither Fair not good   d. Good   e. Excellent

44. How would you rate your work load/workmanship usually?
   a. Too great   b. About right   c. too light   d. Varied

45. How would you rate the level of co-operation within your department?
   a. Poor   b. Fair   c. Neither Fair not good   d. Good   e. Excellent

46. How would you rate the level of co-operation with other departments?
   a. Poor   b. Fair   c. Neither Fair not good   d. Good   e. Excellent

47. Kindly rate your experience of your company’s commitment towards ensuring good quality in customer service.
   a. Poor   b. Fair   c. Neither Fair not good   d. Good   e. Excellent

48. How would you rate the western culture is in existence in your company?
   a. Poor   b. Fair   c. Neither Fair not good   d. Good   e. Excellent
49. How would you rate your personal life with the current employer?
   a. Poor   b. Fair   c. Neither Fair not good   d. Good   e. Excellent

50. Do you have problem with the monotonous nature (Repeat) of work?
   a. Yes   b. No

51. Do you have clear goals and know what is expected from you in your job?
   a. Yes   b. No

52. Are you aware of your company’s mission and vision?
   a. Yes   b. No

53. Would you recommend the company as a good place to work to your family and friends?
   a. Yes   b. No

54. Kindly list the physical strains you are facing from this present job
   a. _______________  b. _______________  c. _______________  d. _______________

55. What do you value about the company?  .................................................................

56. What did you dislike about the company? ..............................................................

57. What could your manager/supervisor do to improve his/her management style and skill?
........................................................................................................................................
58. What are your views about management and leadership in general in the company? ......

59. What did you like the most about your job? .................................................................

60. What did you dislike about your job? ..........................................................................

61. Do you feel you had the resource and support necessary to accomplish your job? If not, what is missing? ...........................................................

62. What would you recommend to help your employer to create a better work place? ..... 

63. Describe the qualities and characteristics of the person who is most likely to succeed in this company. .................................................................
64. What are the qualities and skills the employers should seek in your replacement?

Thank you very much for answering all the questions fairly and wish you all the very best.

Articles published in journals, seminars and conferences attended and papers presented during the research period (April 2008 to April 2011).
Seminars and Conferences attended

1) **Changing role of service sector —a global perspective**- a National level Seminar organised by the MBA Department at Kalasalingam University, KrishnanKoil, Virudhunagar in Southern Tamil Nadu.(2008)

2) National level, Indian society for technical education (ISTE) sponsored “**Group discussion and soft skills**” programme at CSI polytechnic college. Salem. (2008)

3) National level conference on ‘**Latest trends and technologies in management studies**’ organised by MBA Department of Vysya Arts and Science College. Salem. (2008)

4) National level seminar on “**Soft skills competency-expectations and reality**” at Vellammal College of Engineering and Technology. Madurai. (2009)

5) ‘**Micro, small and medium enterprises**’ (MSME )-seminar-organised by the Salem productivity council in association with ministry of MSME, Government of India and supported by SIDBI, SIDCO, TIIC , NSIC and TANSTIA.(2009)

6) 39th ISTE annual convention and National conference on ‘**Managing technical education for leveraging innovation and entrepreneurship**’ jointly organized by the ISTE and NIT Karnataka, Surathkal.(2010).
Paper presentation in seminars and conferences.

1) Presented a paper titled “Human resources development for students in educational institutions” in the national conference on service sector organized by the department of management studies, Kalasalingam University. Krishnankoil. Virudhunagar in South Tamil Nadu. (2008)

2) Presented a paper titled “Retention of human resources” in the national conference on service sector organized by the Department of Management Studies, Kalasalingam University. Krishnankoil. Virudhunagar in South Tamil Nadu. (2008)

3) Presented a paper titled ‘Industrial needs and expectation for employability’ in national conference on global competition and its challenges in business environment conducted by Department of Business Administration, Vysya Arts and Science College, Salem. Tamil Nadu. (2009)


Articles Published in Journals.


4) Article titled as ‘Human resources in IT / ITES-BPO industries’-with special reference to the IT /ITES-BPO industries in Tamil Nadu -Journal of Technical and Vocational Education (ISSN 0971-
Special training programmes attended.

1) One week Short term course on Soft skills- contains- communication skills and presentation skills-motivation and creative thinking-stress management and time management-interpersonal skills and career development skills-conducted by National Institute of Technical Teachers Training and Research, Ministry of Human Resources Development, Government of India. (NITTTR-Chennai)-2008.

2) Two week faculty development programme in Entrepreneurship development conducted by industrial and technical consultancy organization of Tamil Nadu (ITCOT)-joint venture of ICICI,IDBI,IFCI,SIPCOT,TIIC and SIDCO sponsored by Department of science and technology, Ministry of Science and Technology, Government of India, held at Vivekananda Institute of Management studies, Tiruchengodu, Nammakkal District in Tamil Nadu – 2009.

Research related article published in Journal.

Title of the article:

“Human resources in IT / ITES - BPO industries”- with special reference to the IT / ITES – BPO industries in Tamilnadu state in India.

Name of the Journal:

ISSN No, volume No and Year:


Authors:

Dr.Prof.P.C.Sekar and Mr.Vincent Sathiya Vasagam .A. A.,

“RECRUITMENT AND RETENTION OF HUMAN RESOURCES”
(“A Study on recruitment and retention activities of human resources with special reference to the IT/ITES-BPO industries in Tamil Nadu state in India.”)

SYNOPSIS

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“RECRUITMENT AND RETENTION OF HUMAN RESOURCES”
(“A Study on recruitment and retention activities of human resources with special reference to the IT/ITES - BPO industries in Tamil Nadu state in India.”)

1.1 ABSTRACT

This synopsis addresses the “recruitment and retention activities of human resources in IT/ITES-BPO\textsuperscript{144} industries” located in Tamil Nadu state in India. This study has been conducted on big, medium and small sized industries of IT/ITES-BPO segment where the notorious “Employee Attrition\textsuperscript{147} is still said to be in existence”. According to the industry, at the conceptual level it has one major issue - the Employee Attrition Issue. The rate of attrition is said to be 35% in 2010 and confirmed by the PWC-CII\textsuperscript{148} report-2010.

\textsuperscript{144} IT – Information Technology
\textsuperscript{145} ITES – Information Technology Enabled Service
\textsuperscript{146} BPO – Business Process Outsourcing
\textsuperscript{147} Employee attrition-Reduction in workforce by means of resignations, retirements and death
\textsuperscript{148} PWC – CII – Pricewaterhouse Cooper (USA) and Confederation of Indian Industry(INDIA)
Interestingly, as per the view of the senior Human Resources managers, many IT/ITES-BPO companies in India do not reveal the actual employee attrition rates due to the fear of further setbacks to the company. The problem of high employee attrition increases the costs to the organization considerably. The more the people leave an organization, the more it is a drain on the company’s resources like recruitment expenses, training, orientation of resources, time, etc. The attrition cost has been estimated to be very high even in the low-end IT/ITES-BPO companies also. Most research in the IT/ITES-BPO sector has addressed problems related to its environmental analysis like challenges, growth and opportunities, HRM systems, issues of job stress, job satisfaction, individual performance and the problem of employee attrition, etc.

Researches done in the area of Employee Motivation and Satisfaction have discussed domains like education (Smerek and Peterson 2006, Sharma and Jyothi 2008), Private public employment (Demoussis and Giannakopoulos 2007), financial institutions (Kazemzadeh and Bashiri 2005), IT/ITES-BPO industry (Dash et al 2008), Oil industry (Okpara 2006), Government ministries (Al-Ajmi 2006), Labour market (Brown et al 2007). But not much of extensive and structured work has been done in the domain of IT/ITES-BPO sector in the recent past. Literature review has also shown how various researchers have identified a plethora of reasons behind the escalating problem of employee attrition and suggested recommendations (Joshi 2004, Chowdry 2004 and Misra 2007). Few researchers have also worked on various domains like the HRM systems and practices (Budhwar et al 2006), job satisfaction (E-sat survey 2005 and Sharma 2006) and prevention (Kanwar et al 2008). However no systematic and comprehensive work has been found that collaborates all the necessary variables/factors involved in this area. This study aims to analyse the “recruitment and retention activities of human resources in IT/ITES-BPO industries in Tamil Nadu and to provide necessary suggestions / solutions/ model.

I.2. INTRODUCTION

It is very common in majority of the organizations that a large sum of money is being spent on technology up-gradation and its related activities. According to the recent research conducted
by ITAA\textsuperscript{149}, in USA every IT/ITES-BPO Company spends 30\% of its funds for research and development / technology up gradation and only 15 \% for employee development programmes. In India, according to the NASSCOM\textsuperscript{150} report, 22 \% of the funds are being spent for research and development / technology up gradation and only 10 \% for the employees training and development. The importance of retaining good employee can be understood from the ‘rule of thumb’ that technology makes up 10\% of a business while business processes, employees culture make up 90 \% of a business.

Although Employee attrition is seen in all the other industrial sectors throughout the world, the rate of the employee attrition is quite manageable. Whereas, in IT/ITES-BPO industries in India due to few known and few unknown reasons employee attrition is glaringly evident. For example the attrition rate in Infosys have said to be come down to 28\% in the year 2008. But it was 39\% in the year 2006. Attrition rate in wipro was said to be come down to 18 \% in the year 2008, which was 32 \% in the year 2006. In Tata consultancy services, the attrition rate has said to have come down to 21\% in the year 2008 which was 35\% in the year 2006. According to NASSCOM report 2006-2007, “the attrition rate in IT / ITES-BPO companies in India was in the dangerous mark of more than 50\%. A recent study reveals that 60 \% of our engineering graduates and 55 \% of other graduates are working in these industries as their first job. According to NASSCOM-2009 summit there are serious issues such as price wars, poor infrastructure and lack of data production norms and laws with respect to retention of the employees. There is a danger that high employee attrition could derail India’s booming IT/ITES-BPO industry. Further NASSCOM has identified “Human Resources” as one of the vital challenges and has formed a Special Task Force to address short term challenges such as “employee attrition” and long term challenges such as “ensuring availability of a skilled talent pool”.

1.3. NEED FOR THE STUDY

\textsuperscript{149} ITAA – Information Technology Association of America-USA
\textsuperscript{150} NASSCOM – National Association of Software and Services Companies-INDIA
As per the Chart-1, the general/overall employee attrition rates in USA is 42%, in Australia it is 29%, in Europe it is 24% and in India it is 18%. The general/overall employee attrition rate in India is comparatively less but in IT/ITES-BPO sector the employee attrition rate is 35% which is almost double. Thanks to the global financial meltdown that has compelled the employees to stick on to their current jobs as much as possible at present. Interestingly, the employee attrition has come down to less than 30 % in IT/ITES-BPO industries as against 50 – 55 % in the year 2006-2007. But PWC-CII study-2010 reveals that the employee attrition rate has again increased in the year 2010.

India is having more than 1500 addressable IT/ITES-BPO industries across the country and the employee attrition in the IT/ITES-BPO industries is higher than other sectors. While the overall turnover in India stood at 18%, at IT/ITES-BPO companies the attrition is the country’s highest (35%) followed by communication (22 %) and retail (18 %). In the year 2005, according to the industries estimate, around Rs.4000 crores losses have been incurred on Recruitment, Training and Development. This is approximately 10 % of the annual revenue in Indian IT/ITES-BPO industries. Hence, this facilitates a strong need for exploration and study of various factors connecting the employee recruitment and retention. In a broad sense, there are two key components about the employees’ recruitment process that every industry should provide more importance. The first one is “employee recruitment process”, id est., “Whom do the organizations choose to fill job vacancies?” The second one is “What the organizations do after the employee is hired.”?
This study also tries to deal comprehensively with the Recruitment and retention activities of the IT/ITES-BPO industry. A Twenty point’s suggestions/solutions are also provided in the final chapter. Importantly, a step by step, thorough data analysis and interpretation has been done with factor analysis. This research is based on the models postulated by, Rhynes (1991), Barber (1998) and Hackman and Oldham (1976). Which are shows in the theoretical framework chapter. As a part of the contribution of the study to the faculty of Business Administration, a Structural Equation Model (SEM) has been suggested.

1.4. RESEARCH OBJECTIVES

1) To study the recruitment process of IT/ITES-BPO companies and to explore the recruitment strategies used during manpower hiring.

2) To study the welfare measures provided by the IT/ITES-BPO companies.

3) To study the employee retention factors such as Training and motivation, Organizational culture and open system, leadership and interpersonal relations and Hygiene factor-Personal care and career growth.

4) To study the differences among the small, medium and large IT/ITES-BPO companies.

5) To provide necessary suggestions/solutions/model to reduce the employee attrition problem in the IT/ITES-BPO industry.

1.5. PERIOD OF RESEARCH AND PILOT STUDY

Discussion with the Human Resource Managers, IT/ITES-BPO sector experts, data collection and relevant activities were conducted in the years 2008, 2009 and 2010. A pilot study was conducted in the beginning of the year 2010 with three companies and eighteen samples at two companies in Chennai and one company in Coimbatore. The pilot study enable the researcher to include all the necessary variables in the questionnaire in order to collect the relevant data for the study.
1.6. RESEARCH QUESTIONNAIRE AND SOURCES OF DATA

As many as 64 questions were asked which included open ended questions and objective type questions using Likert’s Five Point Scale. Questionnaire enclosed as annexure-page no XII. The research questionnaire is based on two sections as Employee Recruitment aspects and Employee Retention Aspects. Friendly and confidential discussions were conducted with a few HR managers regarding the employee attrition in the IT/ITES-BPO companies and 16 (sixteen) companies that are said to be facing employee attrition problem were identified. When they were approached, they were not willing to share their attrition problem. They tried to hedge and were not interested in the questionnaire to obtain data from their employees. But the HR managers were kind enough and suggested obtaining data from the employees outside the campus and helped indirectly. The HR managers introduced some of their personnel’s and asked them to help in data collection. Discussion was taken up with these personnel and through their opinion some “Dissatisfied Candidates” were identified. They were about to leave the industry and ready to go for another job. Mean while, an estimation has been made with the help of HR managers of these 16 companies that around 1500 employees were above to leave during this research period. The researcher approached 200 respondents for the data collection of which 162 responded. Totally, one hundred and sixty two personnel of these sixteen IT/ITES-BPO companies became respondents. Finally data have been obtained from these 162 “identified employees” of small, medium and large scale IT/ITES-BPO companies located in Chennai and Coimbatore. The percentage of the respondents is 10.8%. (162 x 100 divided by 1500 = 10.8%). This is very much like a “comprehensive exit interview”.

1.7. SAMPLING

Sixteen companies that face Employee Attrition were identified through discussions with the HR managers. Based on the number of employees/workforce strength, this IT/ITES-BPO was divided into three categories namely, large, medium and small. Companies with more than 2000 Workforce strength\textsuperscript{8} were considered “large”, more than 1000 but less than 2000 workforce considered “medium” and less than 1000 work force considered “small.” (Work force

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8 Work force Strength – Total number of employees of a particular company, id est., employees of all its branches at various places put together of a particular company.
strength = total number of employees of a particular company, employees of all its branches put together) About 150 registered IT/ITES-BPO companies exist in Tamil Nadu state in India. Six (6) companies of large size IT/ITES-BPO sector and five (5) from the medium size and another five (5) from the small size IT/ITES-BPO sector were selected for this study. The sixteen (16) IT/ITES-BPO companies have contributed to this data collection. They constitute approximately 10% of the total companies. Regarding the size of the respondent, Table-1, Sixty five (65) respondents from the large size industry and Fifty seven (57) respondents from medium size industry and another Fifty (40) respondents from small size industry i.e. a total of one hundred and sixty two (162) respondents were selected for this study.

**SAMPLING FRAME**

<table>
<thead>
<tr>
<th>Gender</th>
<th>Small size Companies (5)</th>
<th>Medium size Companies (5)</th>
<th>Large size Companies (6)</th>
<th>Total (16)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>22</td>
<td>37</td>
<td>40</td>
<td>99</td>
</tr>
<tr>
<td>Female</td>
<td>18</td>
<td>20</td>
<td>25</td>
<td>63</td>
</tr>
<tr>
<td>Total</td>
<td>40</td>
<td>57</td>
<td>65</td>
<td>162*</td>
</tr>
</tbody>
</table>

*(Table-1)*

*Out of the 162 respondents 61.11 percent (99) are Male and 38.89 percent (63) are female. The NASSCOM Report May - 2009 states that the male and female ratio in Indian IT/ITES-BPO industry was 62% and 38% respectively. The male and female respondents’ ratio for this research almost match this report. Convenience sampling method has been used for identifying the companies and respondents among the available companies and respondents.


**1.8. STATISTICAL TOOLS USED**
Descriptive statistics like percentages, mean and standard deviation were used in this study to understand the distribution and characteristics of the variables studied. Chi square tests were applied to test for any significant association between attributes. Student t-test was applied to find any significant differences between two group means. One-way ANOVA was applied to find whether differences among more than two group means exist significantly. Multiple Regression Analysis was used to find the extent of influence the independent variables on the dependent variable. Multiple Discriminant Analysis was used to the variables which best discriminate the retention among the three size of companies namely small, Medium and Large in terms. Factor Analysis was also applied and a Structural Equation Model has been framed.

1.9. FEW RESEARCH FINDINGS

The analysis shows that the factor regarding the “Aptitude Test” majority (51.58 %) of the respondents stated as high importance. Majority (45.68 %) of the respondents’ stated as high importance for the factor “Technical Skills”. Regarding Latest Recruitment Tools (35.19 %) of the respondents stated as low importance. Towards “English Communication” majority (63.98 %) of the respondents stated as very high importance, 49.61 % of the respondents’ stated as high importance for Energy Level, 43.83 percent of the respondents’ stated as high importance towards Assertiveness, 46.91 percent of the respondents’ stated as Neither Low Nor High importance regarding Social Ability & Psychological Test, 50.62 percent of the respondents’ stated as Neither Low Nor High importance regarding Family Circumstances and 47.53 percent of the respondents’ stated as high importance regarding Career Ambitions.

The Friedman chi-square tests the null hypothesis that the ranks of the variables do not differ from their expected value. For these rankings, the chi-square value is 466.18. Degrees of freedom are equal to the number of variables minus 1. Because ten variables were being ranked, there are 9 degrees of freedom. The asymptotic significance is the approximate probability of obtaining a chi-square statistic as extreme as 466.18 with 9 degrees of freedom in repeated samples if the rankings of each variables are not truly different. Because a chi-square of 466.18 with 9 degrees of freedom is unlikely to have arisen by chance, therefore we
conclude that the respondents do not have equal preference for all variables. Among the ten variables “English Communication” was ranked first. It is followed by the “Technical Skills”. “Energy Level” was ranked third.

An attempt has been made to study the opinion regarding Level of importance considered by the employer during recruitment considered by the employer after converting the qualitative information into a quantitative one using a five point scale; the average score were obtained from the respondents on various issues to determine the opinion regarding Levels of importance considered by the employer during recruitment. The significant difference between the mean scores regarding the importance level considered by the employer during recruitment using the inferential statistics of Analysis of variance (ANOVA) test after verifying the normality assumption by Q-Q Plot technique.

Since the P value for Aptitude Test, Technical Skills, English Communication, Energy Level, Assertiveness, Social Ability, Family Circumstances and Psychological Test was less than 0.01 which shows that there is highly significant difference in the mean importance scores towards the Aptitude Test, Technical Skills, English Communication, Energy Level, Assertiveness, Social Ability, Family Circumstances and Psychological Test among the size of companies. As the P value for Latest Recruitment Tools (MBTI\textsuperscript{152}, FIRO B\textsuperscript{153} etc..), is less than 0.05 it shows there is significant difference in the mean importance scores towards Latest Recruitment Tools among the size of companies. But the P value for Career Ambitions is greater than 0.05 it shows there is no significant difference in the mean importance scores towards Career Ambitions among the sizes of companies. The significant difference between the mean scores of Hygiene factor-personal care and career growth is tested with respect to the Size of company, Designation, Education, Age, Salary per month, Source, Way of selection, Job Number and Duration of working using the inferential statistics of Analysis of variance (ANOVA) and the Independent t test was used to test significant difference between the mean scores of Hygiene factor-personal care and career growth with respect to gender.

\textsuperscript{152} MBTI- Myers Briggs Type Indicator- Introduced by Carl J Jung
\textsuperscript{153} FIRO B- Fundamental Interpersonal Relation Orientation-Behaviour – Introduced by William Schutz (1958)
The rotated component matrix indicates a clear separation. The first rotated factor F1, explaining 54.73% of total variance, reveals strong associations between On the Job Training, Motivational programmes, Use of on the Job Training, Use of Motivational programmes having loadings of 0.778, 0.774, 0.77 and 0.708 respectively on factor 1. This suggests that factor 1 is a combination of these variables. Therefore this factor can be interpreted as “Training & Motivation”. Now for factor 2 we see Leadership Style, Relationship with "immediate supervisor / manager, Supervising qualities, and Hierarchical structure have loading of 0.844, 0.795, 0.76 and 0.652 respectively. These variables can be clubbed into a single factor called “Leadership and interpersonal relation”. As for factor 3 it is evident that Environment, Work Culture, Adequate Feedback, Communication System and Recognition and Praise and Policies and Procedures have the loading of 0.78, 0.77, 0.74, 0.642, 0.60 and 0.52 respectively and this factor can be termed as “Organizational culture and open system”. As for factor 4 it is evident that Fair and Equal Treatment, Creativity Aspects, Chances for Advancement and Company's care about professional development and career goals have the loading of 0.677, 0.672, 0.584 and 0.53 respectively and this factor can be termed as “Hygeine factor- personal care and career growth” and these factors also contribute for the proposal of Strutural Equation Model.

1.10. FEW CONCLUDING REMARKS

1. Appropriate Staffing Strategies and managing Employee Morale are the key areas in the present IT/ITES-BPO sector. Human resource area. Recruiting the right kind (the most suitable) of people not only at the entry level but also for the middle management level can be a big contributing factor to retain the talented workforce in the long run.

2. A strong middle and senior management helps in arresting employee attrition at the lower levels and consolidates the organizational culture and character. Organization should concentrate on individual career growth of employees and succession planning in the organization. Planning for growth both vertically and horizontally can bring a little reprieve to the employees. Horizontal growth can be in the form of promoting the employees from simple to more complex processes within the organization. Maintaining a good relationship between
employee and their immediate supervisor is a very important aspect and this will reduce the employee attrition rate.

3. To succeed in the fiercely competitive global market of this century, industries need to treat their employees as partners or stakeholders. All monetary and non-monetary benefits should be provided. The IT/ITES-BPOs employee attrition will considerably come down if the salary offered would be without much difference. Human capital must be developed through innovative compensation/appreciation schemes to secure their loyalty and bring stability to their organisation which is essential for sustained growth.

4. There should not be any gap between the middle management and the senior management levels because this is also one of the strongest reasons in increased levels of poaching\textsuperscript{154} and attrition cases.

5. It is quite natural that competitors are very eager to get experienced people and are willing to make very fancy offers to cut short their training time and investment through poaching. Such indiscipline has further accentuated the problem. So, poaching should be avoided.

6. Organizations have to keep vigil against penetration by poachers of staff. All the industry has to keep the internet, e-mail addresses confidential. Organizations should refuse to do business with agents who have poached the staff and if possible the organizations may enter into pacts with other employers not to poach one another’s staff.

7. Wipro Spectarmind, a leading Indian IT/ITES-BPO company, has signed a non-poaching agreement with nine IT/ITES-BPO companies in an attempt to curb its employee attrition.

8. All IT/ITES-BPO industries have to be model employers, offer good working conditions, ability to balance in and outside work, job security, lifelong learning and fair pay based on the job rather than the grade.

9. All the IT/ITES-BPO industries have to offer a model career and provide their staff a range of options for developing and extending their careers.

\textsuperscript{154} Poach – appoint other company’s trained workers unfairly/dishonestly by agents or providing fancy offers.
10. All the IT/ITES-BPO industries have to improve staff morale by means of providing flexible working arrangements and effective policies on issues such as sexual harassment, recognition and praise, rewards, feedback, fair and equal opportunities.

1.11 LIMITATION OF THIS STUDY

Chennai is having 82% of the total IT/ITES-BPO industries, Coimbatore is having 10% of the IT/ITES-BPO industries and rest of the other cities are having only 8% of IT/ITES-BPO Companies. Since the samples are taken from Chennai and Coimbatore, this research may be considered as applicable for the Tamil Nadu state.

1.12 FUTURE DIRECTIONS FROM THIS STUDY

As this is a booming sector, there is a danger of the high employee attrition, which could result in derailment of India’s booming IT/ITES-BPO industry. Further studies have to be conducted throughout the country and suitable measures have to be taken up to arrest employee attrition. NASSCOM has identified HR as one of the very vital challenges of this segment and has formed a special task force to address short term challenges such as “employee attrition” and long term challenges such as “ensuring availability of a skilled talent pool”.

1.13 CONCLUSION

A continuous research aiming at “effective and innovative recruitment and employee retention strategies by the management” is considered to be the need of the hour in today’s globalized competitive scenario in Indian IT/ITES-BPO industries.